

**Tax Rate Statement
Palmdale School District
Bond Measure ____**

48 August 21, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER


To: The voters voting in the November 6, 2012 election on the question of the issuance of \$220,000,000 General Obligation Bonds of the Palmdale School District.

You are hereby notified in accordance with Section 9401 of the Elections Code of the State of California of the following:

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds (Fiscal Year 2013-2014), based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000.
2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000.
First fiscal year after last sale of bonds: 2028-2029
3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:
\$.03000 per \$100 of assessed valuation, which equates to \$30.00 per \$100,000.
Year of highest tax rate: Tax is projected to be the same every year.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The date of sale and the amount of bonds sold at any given time will be determined by the District based on its need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the District as determined by the County Assessor in the annual assessment and the equalization process. Accordingly, the actual tax rates and the years in which such rates are applicable may vary from those presently estimated as above stated.

Submittal of the foregoing statement has been approved by the Palmdale School District.



Roger D. Gallizzi
Superintendent
Palmdale School District

**RESOLUTION OF THE BOARD OF TRUSTEES OF
PALMDALE SCHOOL DISTRICT
ORDERING AN ELECTION TO AUTHORIZE THE
ISSUANCE OF SCHOOL BONDS, ESTABLISHING SPECIFICATIONS
OF THE ELECTION ORDER, AND REQUESTING CONSOLIDATION
WITH ANY OTHER ELECTIONS OCCURRING ON NOVEMBER 6, 2012**

WHEREAS, in the judgment of the Board of Trustees (the “**Board**”) of the Palmdale School District (the “**District**”), it is advisable to call an election to submit to the electors of the District the question of whether bonds of the District shall be issued and sold for the purpose of raising money for the construction, reconstruction, rehabilitation and replacement of school facilities, including the furnishing or equipping of school facilities, or the acquisition or lease of real property for school facilities and paying costs incident thereto; and

WHEREAS, as a result of the approval of Proposition 39 on November 7, 2000, Article XIII A, Section 1, paragraph (b) of the California Constitution (“**Article XIII A**”) provides an exception to the limit on *ad valorem* property taxes on real property for bonded indebtedness incurred by a school district that has been approved by fifty-five percent (55%) of the voters of the District voting on the proposition; and

WHEREAS, pursuant to California Education Code (“**Education Code**”) Section 15264 *et seq.* (the “**Act**”) and California Government Code (“**Government Code**”) Section 53506, the Board is specifically authorized, upon approval by two-thirds (2/3) of the Board, to submit to the electorate of the District the question of whether bonds of the District shall be issued and sold for specified purposes, upon a fifty-five percent (55%) vote of the electorate in favor on the question, pursuant to paragraph (3) of said subdivision (b) of Section 1 of Article XIII A and subdivision (b) of Section 18 of Article XVI of the California Constitution; and

WHEREAS, pursuant to California Elections Code (“**Elections Code**”) Section 10403 *et seq.*, it is appropriate for the Board to request consolidation of the election with any and all other elections to be held on November 6, 2012, and to request the Los Angeles County Registrar-Recorder/County Clerk (the “**Registrar of Voters**”) to perform certain election services for the District.

NOW, THEREFORE, THE BOARD HEREBY RESOLVES, DETERMINES, AND ORDERS AS FOLLOWS:

Section 1. Call for Election. The Board hereby orders an election and submits to the electors of the District the question of whether general obligation bonds of the District (the “**Bonds**”) shall be issued and sold in one or more series from time to time in the aggregate principal amount not to exceed \$220,000,000 for the purpose of raising money for construction, reconstruction, rehabilitation and replacement of school facilities, including the furnishing or equipping of school facilities, or the acquisition or lease of real property for school facilities and paying costs incident thereto, as set forth more fully in a ballot proposition approved pursuant to Section 4 below.

Section 2. Order of Election. That this Resolution shall stand as the order to Registrar of Voters to call an election within the boundaries of the District on November 6, 2012. The Registrar of Voters is hereby requested, pursuant to Section 5322 of the Education Code, to take all steps to call and hold the election in accordance with law and these specifications.

Section 3. Election Date. The date of the election shall be November 6, 2012, and the election shall be held solely within the boundaries of the District.

Section 4. Purpose of Election; Ballot Proposition. The purpose of the election shall be for the voters of the District to vote on a proposition, a full copy of which is attached hereto as **Exhibit A**, containing the question of whether the District shall issue the Bonds for the purposes stated therein, together with the accountability requirements of Article XIII A and the requirements of Section 15272 of the Act. The Registrar of Voters is hereby requested to reprint **Exhibit A** hereof in its entirety in the voter information pamphlet to be distributed to voters. As required by Elections Code Section 13247, the abbreviated form of the measure to appear on the ballot is attached hereto as **Exhibit B**. The District’s Superintendent (or designee) is hereby authorized and directed to make any changes to the text of the proposition or its abbreviated form as required to comply with the intent of this Resolution, the requirements of elections officials, and requirements of law.

Section 5. The Bonds. (i) That the maturity of any bonds issued pursuant hereto and under Chapter 1.5, Part 10, Division 1, Title 1 of the Education Code (commencing with Section 15264), as amended and Article XIII A of the California Constitution shall not exceed twenty-five (25) years and shall bear interest at a rate not to exceed the maximum legal interest rate per annum, and (ii) that the maturity of any bonds issued pursuant hereto and under Chapter 3 of Part 1 of Division 2 of Title 5, Article 4.5 of the California Government Code, as amended, applicable provisions of the Education Code and Article XIII A of the California Constitution shall not exceed forty (40) years and shall bear interest at a rate not to exceed the maximum legal interest rate per annum.

Section 6. Authority for Election. The authority for ordering the election is contained in the Act, Article XIII A, Section 1, paragraph (b), subsection (3) of the California Constitution, and Section 53506 *et seq* of the Government Code. The authority for the specification of this election order is contained in Education Code Section 5322.

Section 7. School Facilities Projects. A list of the specific school facilities projects (the “**Projects**”) to be funded from the proceeds of the bonds is set forth in **Exhibit A** (the “**Project List**”). As required by Article XIII A, the Board hereby certifies that it has evaluated safety, class-

size reduction, and information technology needs of the District in developing the list of school facilities projects set forth in **Exhibit A**. The District understands that the costs of administering the election, managing construction projects and costs of issuance of the Bonds shall be lawful charges against Bond proceeds.

Section 8. Covenants of the Board Upon Approval of the Bonds by the Electorate. As required by Article XIII A and Section 15278 of the Act, if fifty-five percent (55%) of the voters of the District voting on the measure approve of the bonds, the Board shall:

- (a) Use the bond proceeds only for the purposes of construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, as specifically set forth in **Exhibit A**, and not for any other purpose, including teacher and administrator salaries and other school operating expenses;
- (b) Conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the projects listed in **Exhibit A**;
- (c) Conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for school facilities projects listed in **Exhibit A**; and
- (d) Establish and appoint members to an independent citizens' oversight committee in accordance with Sections 15278, 15280, and 15282 of the Act.

Section 9. Delivery of this Resolution. The Clerk of this Board is hereby authorized and directed to send or hand deliver a copy of this Resolution to the Los Angeles County Superintendent of Schools, the County of Los Angeles Clerk of the Board of Supervisors and the Registrar of Voters no later than August 10, 2012.

Section 10. Ballot Arguments; Tax Rate Statement. Any and all members of this Board are hereby authorized to act as an author of any ballot argument prepared in connection with the election, including a rebuttal argument. The Superintendent, President of the Board, or their designees, are hereby authorized to execute the Tax Rate Statement and any other required documents and to perform all acts necessary to place the bond measure on the ballot. The Tax Rate Statement shall be delivered to the Registrar of Voters on or before August 10, 2012.

Section 11. Consolidation of Election; Election Services.

- (a) Pursuant to Section 15121 of the Education Code and Part 3 (commencing with Section 10400) of Division 10 of the Elections Code, the Board of Supervisors of the County is requested to order consolidation of the school bond election ordered herein with such other elections as may be held on the same day in the same territory or in territory that is in part the same.
- (b) Pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors is requested to permit the Registrar of Voters, or other appropriate officials of the County of Los Angeles, to render all

services necessary in connection with the bond election including, but not limited to, publication of a Formal Notice of School Bond Election pursuant to Education Code 5363 and related law, the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code), the opportunity to submit ballot arguments in connection with the bond election, the canvassing and certification of the returns of the election, and other ballot requirements pursuant to Education Code Section 15123, for which services the District agrees to reimburse the County as required by law.

Section 12. Reimbursement of Qualified Project Expenditures. The Board presently intends and reasonably expects to have tax exempt obligations (the “**Obligations**”) issued on its behalf within 18 months of the date of the expenditure of moneys prior to the issuance of the Obligations, if any, made with respect to the Projects outlined in the Project List or the date upon which a Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date the original expenditure of such moneys is paid), and to allocate an amount of the proceeds thereof to the reimbursable expenditures in connection with the Project, as may be qualified under the provisions of Section 1.150-2 of the Treasury Regulations of the Internal Revenue Service (the “**Reimbursable Expenditures**”). All of the Reimbursable Expenditures covered by this Section 12 were paid not earlier than 60 days prior to the date of this Resolution or constitute preliminary expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. The Board intends to allocate within 30 days after the date of issue of the Obligations the proceeds therefrom to reimburse the District for the Reimbursable Expenditures. With respect to the proceeds of the Obligations allocated to reimburse the District for prior expenditures, the Board hereby covenants not to employ an abusive device under Treasury Regulation Section 1.148-10, including using within one year of the reimbursement allocation, the funds corresponding to the proceeds of the Obligations in a manner that results in the creation of replacement proceeds, as defined in Treasury Regulation Section 1.148-1, of the Obligations or another issue of tax-exempt obligations.

The above provisions are made solely for the purpose of establishing compliance with the requirements of said Section 1.150-2 of the Treasury Regulations. This provision does not bind the District or the Board to make any expenditure, incur any indebtedness, or proceed with the financing, acquisition or construction of the Projects.

Section 13. Bond Counsel. That the Board hereby approves the retention of Nixon Peabody LLP as bond counsel in connection with the bond election and subsequent issuances of bonds.

Section 14. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 7th day of August, 2012.

BOARD OF TRUSTEES OF
PALMDALE SCHOOL DISTRICT

By: Carol Stanford
Carol Stanford, President

Attest:

By: Sandy Corrales-Eneix
Sandy Corrales-Eneix, Clerk of the Board

STATE OF CALIFORNIA)
)
LOS ANGELES COUNTY) ss.

I, Roger D. Gallizzi, do hereby certify that the foregoing is a true and correct copy of Resolution Ordering an Election to Authorize the Issuance of School Bonds, Establishing Specifications of the Election Order, and Requesting Consolidation with any Other Elections Occurring on November 6, 2012, which was duly adopted by the Board of Trustees of the Palmdale School District at meeting thereof held on the 7th day of August, 2012, and that it was so adopted by the following vote:

AYES: 5

NOES: 0

ABSENT 0

ABSTENTIONS: 0

By: Roger D. Gallizzi
Roger D. Gallizzi, Secretary to the Board of Trustees

EXHIBIT A

FULL TEXT OF BOND MEASURE FOR PALMDALE SCHOOL DISTRICT

INTRODUCTION

“To repair/improve aging schools, improve math/science instruction and protect education in Palmdale elementary and intermediate schools with local funding that cannot be taken by State government, shall Palmdale School District repair leaking roofs, rusting plumbing and aging restrooms; update science labs, computers and instructional technology; upgrade/repair/add classrooms to meet safety, health and academic standards; by issuing \$220 million dollars in bonds at legal rates, with independent citizens’ oversight, no money for administrators salaries?”

ACCOUNTABILITY MEASURES

If the bonds are approved, the Board of Trustees will implement the following accountability measures in accordance with State law:

- (a) Use the proceeds from the sale of the bonds only for the purposes of construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, as specifically set forth in this Exhibit A, but not for any other purpose, including board member, administrator, teacher, or staff salaries or benefits or other school operating expenses;
- (b) Conduct an annual, independent performance audit to ensure that the bond proceeds have been expended only on the projects listed in this Exhibit A;
- (c) Conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for school facilities projects listed in this Exhibit A; and
- (d) Establish and appoint members to an independent citizens’ oversight committee to ensure the bonds are used only for the projects listed in this Exhibit A.

SCHOOL FACILITIES PROJECTS TO BE FUNDED FROM BOND PROCEEDS

As required by the California Constitution, the proceeds from the sale of the bonds will be used only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, and not for any other purpose, including teacher and administrator salaries and other school operating expenses. The Board of Trustees hereby certifies that it has evaluated the safety, class-size reduction, and information technology needs of the District in developing this list of school facilities projects:

Upgrade aging and deteriorating school sites, classrooms, science labs, computer labs and libraries

- Repair and replace roofs on classrooms and portable classrooms
- Improve, renovate, repair, furnish and equip classrooms, cafeterias and multi-purpose rooms to meet health and safety codes
- Repair and improve school building exteriors, security windows and outdoor painting
- Plan, construct, reconstruct, replace and provide ramps to ensure student safety and access for students with disabilities

Improve energy efficiency to provide annual savings that will support classroom instruction

- Repair or replace heating, ventilation and air conditioning units at schools to improve energy efficiency and save funds
- Provide and construct xeriscaping facilities and systems to improve water efficiency and save funds
- Modernize, improve, upgrade and provide energy management system at school sites

Provide current classroom technology to support 21st century education

- Provide updated computer technology, communication systems and instructional technology including, but not limited to, installing wireless Internet/Intranet connectivity and other technological infrastructure
- Furnish, replace and modernize technological, electrical and other learning devices, including but not limited to personal computers, classroom computers, portable electronic devices, smartpad or other devices, digital textbooks, or any other device used to assist learning, including replacement of computers and technology over time

Modernize fire, alarm, emergency and security systems

- Update, furnish and equip schools with new fire protection systems and fire alarm panels to ensure school sites are up to current safety codes
- Update, improve, furnish and equip communication systems, bells, clocks and intercoms at school sites
- Provide security cameras at school sites
- Upgrade and provide exterior electronic signage at school sites

Repair and update aging student restrooms and rusting plumbing

- Plan, construct, furnish and equip additional restrooms

- Upgrade, improve, furnish and equip restrooms at schools
- Repair or replace aging plumbing at school sites

Provide additional classrooms and learning space for students

- Plan, construct, furnish and equip up to two new schools in the District

Renovate aging and worn out classrooms and school facilities to ensure student safety

- Repair unsafe play fields, play equipment and surfaces
- Plan, construct, reconstruct, update, remodel, renovate, repair, furnish and equip Juniper Intermediate School, including but not limited to demolition of any obsolete or inadequate facilities as needed, expansion and improvement of classrooms, multipurpose rooms, support facilities, student services, safety systems, wiring, plumbing, building systems, building surfaces, heating, cooling and ventilation systems, and improve access for disabled persons
- Repair, replace, renovate, update, furnish and equip student support facilities, including but not limited to offices
- Plan, construct, reconstruct, relocate, update, remodel, renovate, repair, furnish and equip District administrative offices and a professional development facility, including but not limited to demolition of any obsolete or inadequate facilities as needed, expansion and improvement of classrooms, multipurpose rooms, support facilities, student services, safety systems, wiring, plumbing, building systems, building surfaces, heating, cooling and ventilation systems, and improve access for disabled persons
- Furnish and equip all facilities constructed or improved with Bond proceeds.

The Bonds may be used to fund design, engineering and program management costs, as well as to make lease payments for leases, or to purchase authorized leased facilities. The bonds may also be used to fund the cost of issuing the bonds, election costs, and the cost of obtaining and disseminating information, as authorized under State law.

EXHIBIT B
BOND MEASURE
FOR
PALMDALE SCHOOL DISTRICT
 (Abbreviated Form)*

<p>“To repair/improve aging schools, improve math/science instruction and protect education in Palmdale elementary and intermediate schools with local funding that cannot be taken by State government, shall Palmdale School District repair leaking roofs, rusting plumbing and aging restrooms; update science labs, computers and instructional technology; upgrade/repair/add classrooms to meet safety, health and academic standards; by issuing \$220 million dollars in bonds at legal rates, with independent citizens’ oversight, no money for administrators salaries?”</p>	<p>BONDS – YES</p>
	<p>BONDS – NO</p>

* Limited to 75 words pursuant to California Elections Code Section 13247.